GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:704
ANSWERED ON:28.07.2005
INVESTIGATION ON JET AIRWAYS
Bhadana Shri Avtar Singh

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government has completed the investigation on Jet Airways on alleged financial irregularities, sources of funding, legality and status of ownership of the airlines;

(b) if so, the details and outcome thereof; and

(c) the further action taken by the Government thereon?

Answer

- MINISTER OF STATE(INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a) to (c):- The Ministry of Company Affairs conducted inspection of books of accounts of M/s Jet Airways (India) Private Limited under Sec 209A of the Companies Act, 1956 in the Year 2002. Prosecution for violations of Sec 205, 224 (8), 211(8cases) and 292 of the Act have been ordered/launched against the company and its officers in default. The aforesaid offences have been compounded by Competent Authority, on company applications filed under section 621A of the Act, by levying total compunding fee of Rs. 2,20,000/- on Company and its officers in default.

The Ministry of Home Affairs have now informed that enquiries conducted by then have not revealed anything adverse against M/s. Jet Airways and its Board of Directors and have conveyed the security clearance.

Ministry of Finance, Department of Revenue have informed that scrutiny assessment of M/s Jet Airways (Pvt) Ltd., under the income-tax Act, 1961 upto the Assesment year 2002-03 have been completed. Further, they have conduted detailed investgations in relation to sources of funds, application thereof and gross receipts and expenditure claimed by the assessee. Investigations carrried out by the Income Tax Department have revealed that remittances received by M/s Jet Airways Pvt Ltd., have come through banking channel duly approved by the RBI.

However, Directorate of Enforcement have now informed that an investigation relating to M/s Jet Airways India (Pvt) Ltd. has been taken up by them.